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## CONFORMED APPEAL BRIEF TRANSMITTAL LETTER

November 12, 2005

Mail Stop Appeal Brief - Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Re: Appellants: Altweis et al.  
Assignee: ZiLOG, Inc.  
Title: "Method and System for Electronic Data Sales and  
Distribution Over Wide Area Computer Networks"  
Serial No.: 09/654,858 Filed: September 5, 2000  
Examiner: Firmin Backer Art Unit: 3621  
Atty. Docket No.: ZIL-314

Dear Sir:

Transmitted herewith are the following documents:

- (1) Conformed Appeal Brief (22 pages);
- (2) Return Postcard; and
- (3) This transmittal sheet.

☒ No additional Fee is required. The fee for the appeal brief was paid with the submission of the original Appeal Brief on September 26, 2005.

☐ The fee has been calculated as shown below:

CLAIMS AS AMENDED						
	REMAINING AFTER AMENDMENT		HIGHEST NO. PREVIOUSLY PAID FOR	EXTRA CLAIMS PRESENT	RATE	ADDITIONAL FEE
TOTAL CLAIMS	20	minus	21	0	\$50	\$0.00
INDEP. CLAIMS	3	minus	3	0	\$200	\$0.00
Total Additional Claim Fee						\$0.00
Fee for Appeal Brief [§41.20(b)(2)] <b>paid with appeal brief on 9/26/2005</b>						\$0.00
Fee for Request for Oral Hearing [§41.20(b)(3)]						\$0.00
Fee for Extension of Time (___ months)						\$0.00
TOTAL						\$0.00

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By

*Darien K. Wallace*  
Darien K. Wallace

Date of Deposit: November 12, 2005

Respectfully submitted,

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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Appellants: Altweis et al.

Assignee: ZiLOG, Inc.

Title: "Method and System for Electronic Data Sales and Distribution  
Over Wide Area Computer Networks"

Appl. No.: 09/654,858

Filing Date: September 5, 2000

Examiner: Firmin Backer

TC/Art Unit: 3621

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Confirmation No.: 7820

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**CONFORMED APPEAL BRIEF**

An Appeal Brief was filed pursuant to 37 CFR § 41.37 in support of the appeal noticed June 24, 2005. On October 31, 2005, the Examiner issued a Notification of Non-Compliant Appeal Brief, marking boxes 1, 4 and 7-9. In a telephone interview with the undersigned on November 8, 2005, the Examiner indicated that Appeal Brief would comply with the Rules if page and line references to the specification were added to the explanations of the independent claims, as indicated by box 4. This Conformed Appeal Brief includes the aforementioned changes indicated by box 4 of the Notification of Non-Compliant Appeal Brief.

**I. REAL PARTY IN INTEREST**

The real party in interest is the assignee, ZiLOG, Inc., as named in the caption above.

**II. RELATED APPEALS AND INTERFERENCES**

Based on information and belief, there are no appeals or interferences that

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

could directly affect or be directly affected by or have a bearing on the decision by the Board of Patent Appeals and Interferences (the "Board") in the pending appeal.

### III. STATUS OF CLAIMS

The application at issue, filed on September 5, 2000, included 17 claims. In various amendments, claims 18-26 were added, and claims 6-9 were cancelled. Claims 1-5 and 10-26 are subject to this Appeal.

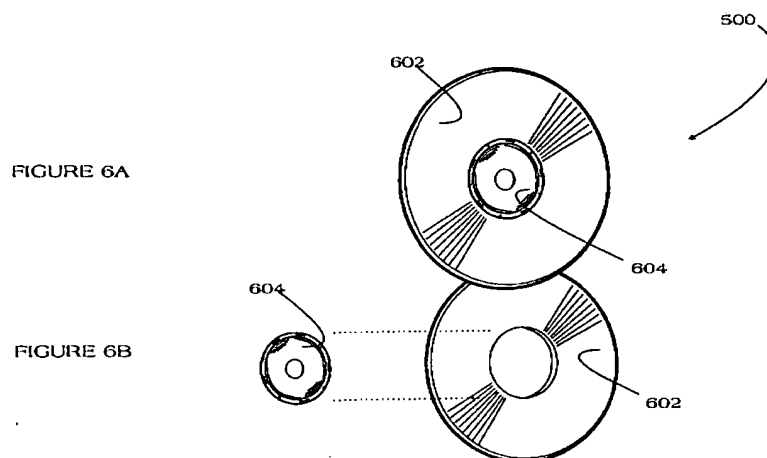
### IV. STATUS OF AMENDMENTS

No amendments were filed subsequent to the Final Rejection.

### V. SUMMARY OF CLAIMED SUBJECT MATTER

The following summary pursuant to 37 CFR §41.37(c)(1)(v) is a concise explanation of the claims and is to be read in light of the disclosure. This summary does not limit the claims. (See MPEP §1206).

The present invention is generally directed to a modularized software application in the field of e-commerce. The modularized software is generally depicted in figures 6A and 6B (below). The software application 500 is



represented in figures 6A and 6B as including two modules, namely a first module 602 having a program stored thereon and a second module 604 having a

license function stored thereon. The two modules facilitate a transaction with the software application itself in e-commerce. The aforementioned is discussed in the specification on page 8, lines 9-18.

The system for the transaction will now be described. The instant system effects a transaction between a customer and an e-commerce supplier. As depicted in figure 7 (below), the present system effects the purchase of the software by the former from the latter. The customer is represented by terminal 20. Payment 400 is made by the customer to the supplier represented by server

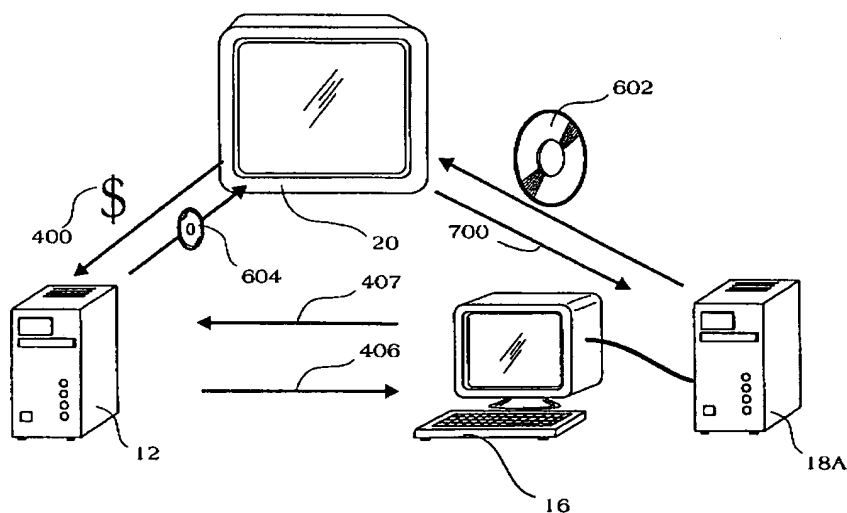


FIGURE 7

12. In exchange for the payment 400, the customer receives the licensing module 604. An automated order is further placed (700) with the supplier's LAN server 18A, wherein the LAN server delivers the program module 602 to the customer terminal 20. Alternatively, the licensing module 604 may be downloaded, then paid for, and then executed by the customer 20, thereby effecting the automatic ordering of the software module 602. Yet another alternative may be implementation of a "try-before-you-buy" scenario whereby the software is available to the customer for a limited trial basis. A benefit of this arrangement is that the e-commerce site 12 need only maintain a relatively small licensing module, which allows for a quicker on-line transaction with the customer. In

addition, the license module 604 is formatted for the supplier and need not change for future updates of program 602. A further advantage is the adaptability of the license module 602 with other applications supplied by the supplier 12. The aforementioned is discussed on page 8, line 19 to page 9, line 12. An overview of the system for effecting the aforementioned will now be described.

Figure 9 (below) depicts e-commerce supplier servers 12A-12C that maintain the licensing modules at their distribution points 15A-15C connected to a network conduit 10. The supplier's LAN server 18A is also connected to the network and set up to be the distribution point for the programming module 19/602 and may offer a connection point to the network for supplier terminal 16 (which may further have its own network (10) connection). The customers are depicted as personal computers 20 having input, display, processing, storage and communication elements or devices. The aforementioned is discussed on page 10, lines 5-13. An analysis of the independent claims based on the aforementioned discussion follows.

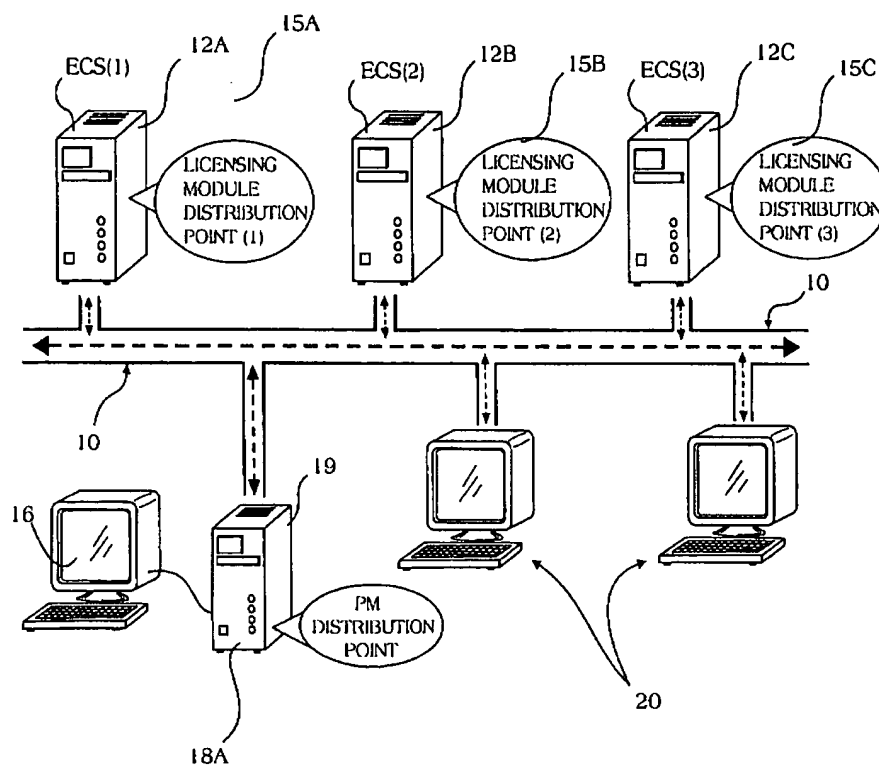


FIGURE 9

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

A. Independent claim 1

Independent claim 1 is directed to the aforementioned system for selling software over a network comprising the network conduit 10; at least one e-commerce server computer 12 in communication with the network conduit 10; at least one customer terminal 20 also in communication with the network conduit 10 and including the input, display, processing, storage and communication devices. Figure 7 illustrates a customer terminal computer 20, an e-commerce server computer 12 and a program download site 18A. Figure 7 also shows a licensing module 604 and a program module 602. Licensing module 604 consists of executable software to be executed upon the customer terminal computer 20. These elements of claim 1 are described with regard to figure 7 beginning at page 8, line 19, of the Specification.

The system comprises an e-commerce site (ECS1-3) also connected to the network conduit 10 and arranged to present and/or otherwise facilitate the transaction with the customer 20. E-commerce sites ECS1-3 are shown in figure 9 and are described beginning on page 10, line 5, of the Specification. Figure 9 also shows a program download site 18A arranged to provide the software program 602 for downloading.

B. Independent claim 10

Independent claim 10 is directed to the a system for software distribution comprising: the network conduit 10; at least one e-commerce server computer 12 in communication with the network conduit 10; at least one customer terminal 20 also in communication with the network conduit 10 and including input, display, processing, storage and communication devices. The system comprises an e-commerce site (ECS1-3) for distributing licensing modules 604, and a program download site 18A for distributing program modules 602 that comprise computer programs for execution on computers. Figure 7 illustrates a customer terminal 20, an e-commerce server computer 12, a program module 602, a licensing module 604, and a program download site 18A. These elements of claim 10 are

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

described with regard to figure 7 beginning at page 8, line 19, of the Specification. Figure 9 shows e-commerce sites ECS1-3, which are described beginning on page 10, line 5, of the Specification.

At least one licensing module 604 cooperates with a program module 602 to function as a software application. The program module 602 is distributed in response to the prior execution of the licensing module 604 on the customer computer 20. (See Specification, page 9, lines 1-4.)

C. Independent claim 18

Independent claim 18 is directed to a method for distributing the software, comprising a step of configuring the software project as a program module 602 and a licensing module 604, both being required to run the distributed software.

Configuring the software project as a program module 602 and a licensing module 604 is described at page 8, lines 15-17. The licensing module 604 is customized to a particular supplier, and the program module 602 consists of a non-customized software portion, as described at page 9, lines 5-11, of the Specification. The program module further comprises executable software code.

In other steps, the licensing module 604 is stored at a first software distribution point (12A-12C); and the program module 602 is stored at another location distribution point (18A). Figure 7 illustrates the licensing module 604 being stored at a first distribution point 12 and the program module 602 being stored at another location.

VI. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

The following are grounds of rejection to be reviewed on appeal:

1) Claims 10-25 stand rejected under 35 USC §102(e) as being anticipated by Biddle *et al.* (US Patent Application Publication No.: 2002/0107809 A1).

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

2) Claims 1-5 stand rejected under 35 USC §103(a) as being unpatentable over Biddle *et al.* in view of Hayes *et al.* (US Patent Application Publication No. 2001/0011341).

## VII. ARGUMENT

### A. Claims 10-25 (1st ground of rejection)

In a final Office Action dated March 25, 2005 (the "Office Action"), the Examiner rejected claims 10-25 under 35 USC §102(e) as being anticipated by Biddle *et al.*. Claims 10 and 18 are independent.

#### i. Independent claim 10.

The Examiner rejected independent claim 10 with the following argument:

"As per claim 10, Biddle *et al.* teach an improved system for software distribution (*improved distribution system, 20*) over wide area computer networks (*internet, 35*), the networks comprising a network conduit (*data links 45, 50 and 55*), at least one e-commerce server computer (*distributor 25, vendor 40*) in communication (*interconnected*) with the network conduit, at least one customer terminal computer (*user computer, 30*) in communication with the network conduit, and at least one supplier server computer (*distributor 25, vendor 40*) in communication (*interconnected*) with the network conduit, each the computer comprising at least one programmable computer comprising input means, display means, processing means, storage means and means for communicating with the network conduit (*see abstract figs 1, 2, page 2, paragraphs 0013, 001.5, and 0016, page 4 paragraph 0049, 0050*), the system comprising e-commerce site means (*licensing server, 82*) for distributing licensing modules (*licensing*) to each the customer terminal computer via the network conduit; and program download site means (*distributor 25, vendor 40*) for distributing program modules (*software*) to each the customer terminal computer via the network conduit (*see fig 1, page 5, paragraph 0053, 0054, 0055*)" (Office Action, pages 2-3, paragraph 3).



Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

ii. Independent claim 18.

The Examiner rejected independent claim 18 with the following argument:

“As per claims 18, Biddle et al. teach a method of distribution (distribution system) a software product to user (*user*, 30) over a computer network (see *fig. 1*) comprising configuring the software product as a program module and a licensing module wherein both the program and the licensing module are required in order to operate the software product (see *paragraphs 0055*), the licensing software comprising a portion of the software product that is customized for a distributor or a group of distributors and the program module comprising a portion of the software product that is not customized for a specific distributors, configuring the licensing module to the requirement of a distributor, storing the configured licensing module at the distributor's software distribution point so that it may be downloaded by a user and storing the program module at a location other than the distributor's software distribution point (see *paragraphs 0055, 0058, 0059, 0062, 0065, 0066, 0062*)” (Office Action, page 4, paragraph 11).

B. Claims 1-5 (2nd ground of rejection)

The Examiner rejected claims 1-5 under 35 USC §103(a) as being unpatentable over Biddle *et al.* in view of Hayes *et al.* (U.S. PG Pub. No. 2001/0011341).

i. Independent claim 1.

The Examiner rejected independent claim 1 with the following argument:

“As per claim 1, Biddle et al. teach an improved system (improved distribution system, 20) for electronic data (software) sales and distribution (distribution) over wide area computer networks (internet, 35) (see abstract *figs 1, 2*, page 2, paragraphs 0013, 0015, and 0016, page 4 paragraph 0049), the networks comprising a network conduit (data links 45, 50 and 55), at least one e-commerce server computer (distributor 25, vendor 40) in communication (interconnected) with the network conduit (see *fig 1*, page 4, paragraph 0049) and at least one customer terminal computer (user computer, 30) in communication (interconnected) with the network conduit, each the computer comprising input means, display means, processing means, storage means and means for communicating with the network conduit (see page 4 paragraph 0050), the system comprising e-commerce site means

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

(distributor 25, vendor 40) for presenting e-commerce functions (online transactions enabling purchase) to each the customer in communication with the e-commerce server computer via the network conduit (see fig 1, page 5, paragraph 0053, 0054) (see fig 17, page 5 paragraph 0054, 0055, page 6 paragraph 0056, 0057, 0058) and program download site means (distributor 25, vendor, 40) for providing a program module (software application) for downloading (downloading) to each the customer terminal computer responsive to a user request (see fig 1, page 5 , paragraph 04 (bottom)) Biddle et al. fail to teach a licensing module means for giving each the customer terminal computer permission to download a program module to the customer terminal computer the licensing module means comprising an executable software application being executed on each the customer terminal computer engaged in the improved system. However, Hayes et al. teach licensing module means for giving each the customer terminal computer permission to download a program module to the customer terminal computer the licensing module means comprising an executable software application being executed on each the customer terminal computer engaged in the improved system (see paragraph 0013). Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the inventive concept of Biddle to include Hayes et al's inventive concept of a licensing module means for giving each the customer terminal computer permission to download a program module to the customer terminal computer the licensing module means comprising an executable software application being executed on each the customer terminal computer engaged in the improved system because this would have ensured greater security of the system" (Office Action, pages 6-7, paragraph 17) (emphasis added).

### C. Appellant's Response

#### i. Independent claim 10.

The rejection of claim 10 should be overruled because Biddle does not disclose all of the limitations of claim 10. Claim 10 as amended recites, "said distribution of one said program module is responsive to the prior execution of one said licensing module on one said customer terminal computer." Biddle does not disclose distributing a program module in response to the prior execution of a licensing module on a customer computer.

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

The Office Action identifies "licensing server 82" as distributing license modules ("licensing") and identifies "software" as program modules of claim 10 (Office Action, page 3, lines 3-6). The "licensing" referred to by the Examiner, however, is not a licensing module as recited by claim 10.

In Biddle, a user first downloads a software application and then is prompted to obtain a license. Biddle states, "A user may . . . download a desired software application. The first time the user runs the software application after installation, the user is prompted to provide registration information to obtain a license" (Biddle, paragraph [0017], lines 29-33). Biddle also states, "The distributor 25 then adds the software application to the electronic store (step 122) to allow Users 30 to download the software application to a user computer (step 126). After downloading and installing the application, user 30 has the option of obtaining a license for the application . . ." (Biddle, paragraph [0054], lines 21-29) (emphasis added). In Biddle the software is first downloaded, and then the user obtains a license, whereas claim 10 recites that the distribution of one program module is responsive to the prior execution of a licensing module. Because the downloading of the identified elements of Biddle is in the opposite order to that recited in claim 10, it is submitted that the rejection has been overcome.

Furthermore, the basis for the rejection of claim 10 in the Office Action appears to be internally inconsistent. Claim 10 recites, "said distribution of one said program module is responsive to the prior execution of one said licensing module on one said customer terminal computer." Although Biddle discloses first downloading software and then obtaining a license, the Office Action must characterize Biddle as downloading software in response to obtaining a license in order to support a valid rejection based on Biddle. In arguing that the order of downloading and obtaining a license is the same in claim 10 and Biddle, however, the Examiner ends his argument with the admission, "It may appear that in Biddle disclosure that the licensing module is downloaded after the application has been downloaded in the user computer. However, also disclose that the programming module is responsive prior to the execution of the licensing

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

module which indicate that the licensing module is executed after a response from the program" (Office Action, page 9, lines 18-22) (emphasis added). This argument is internally inconsistent because it admits that the licensing module is executed after the program module is distributed. Thus, it is submitted that claim 10 as amended and discussed above is allowable over the cited prior art.

Claims 11-12 and 15-17 depend directly or indirectly from claim 10 and are allowable for at least the same reasons for which claim 10 is allowable.

ii. Independent claim 18.

The rejection of claim 18 should be overruled because Biddle does not disclose all of the limitations of claim 18. Claim 18 was amended to distinguish the limitations regarding the "program module" and the software distribution points. Claim 18 as amended recites, "the program module consisting of a portion of the software product that is not customized for the distributor or group of distributors, the program module comprising executable software code." Biddle does not disclose a program module comprising executable software code.

The "license" of paragraph 0054 of Biddle, which was cited by the Examiner in the phone interview of November 2, 2004, as corresponding to the program module, is not disclosed as "comprising executable software code." It appears that the user simply "obtains" a license. The passages of Biddle cited in the Office Action (paragraphs 0055, 0058, 0059, 0062, 0065 and 0066; as cited in paragraph 11) do not disclose what type of license is obtained or whether it contains executable software code. Because the Examiner has not indicated where Biddle discloses a program module and a licensing module, wherein the program module comprises executable software code, it is submitted that claim 18 as amended is allowable over the cited portions of Biddle.

In addition, claim 18 as amended recites, "storing the configured licensing module at a first software distribution point so that it may be downloaded by a user, and storing the program module at a location other than the first software

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

distribution point." These features do not appear to be shown in the cited portions of Biddle, and the Office Action does not indicate which features of Biddle correspond to the claim elements. Biddle states in cited paragraph 0055, "In an alternative exemplary embodiment, a vendor purchases a software licensing system (SLS)." However, it is not clear where the "software application" is stored in this example. In particular, Biddle does not appear to disclose storing the "software application" at any point other than the vendor's distribution point. This may be an example of a vendor assuming the role of distributor, "by purchasing a licensing system from a distributor 25 and carrying out the function of distributing software products directly to the user rather than giving the software product back to the distributor for distribution," (Biddle, paragraph [0053]). Thus, in this scenario it appears that the vendor has become his own distributor both storing software and managing licensing. In such an example the software application and license are obtained from the same location. Thus, there appears to be no storage at a location "other than the first software distribution point" of claim 18. Because this limitation is not disclosed in the Biddle, it is submitted that claim 18 is allowable.

Claims 19-26 depend directly or indirectly from claim 18 and are allowable for at least the same reasons for which claim 18 is allowable.

iii. Independent claim 1.

The rejection of claim 1 should be overruled for two reasons. First, the cited references Biddle and Hayes do not teach all of the limitations of claim 1. Specifically, neither Biddle nor Hayes teaches a licensing module. Second, the Examiner has pointed to no suggestion or motivation in the cited references to combine one with the other. Thus, the Examiner has not established a *prima facie* case of obviousness. The MPEP § 2142 states:

"To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the reference (or references when combined) must teach or suggest all the claimed limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. . . . 'To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references.' Ex parte Clapp, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985)" (emphasis added). MPEP § 2142.

The Examiner admits that Biddle fails to teach a licensing module. (Office Action, page 7, lines 2-3) The Examiner cites paragraph [0013] of Hayes as teaching the "licensing module" element of claim 1. (Office Action, page 7, lines 7-11). This paragraph of Hayes states, "the server stores a plurality of user applications for downloading to User stations and further stores access permissions for the applications for each user" (Hayes, paragraph 0013, lines 3-5). In Hayes, a desktop object is downloaded to a user station, and the user is granted access permission to access the downloaded desktop object. Hayes does not, however, disclose a module for giving permission to download software, in which the module is executed on the customer computer.

Hayes does not disclose that the downloading of desktop objects is conditioned on having permission. Hayes does not describe downloading some desktop objects for which downloading permission has been granted, and not downloading other desktop objects. Instead, the server in Hayes downloads to the user station a list of applications to which the user has access permission.

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

Hayes only denies a user access to desktop objects based on permission. Moreover, Hayes does not disclose that the list is executed on the customer computer.

In contrast, the licensing module of claim 1 is "for giving each said customer terminal computer permission to download a program module to said customer terminal computer, said licensing module consisting of an executable software application being executed on each customer terminal computer . . .". The Examiner indicated in a telephone interview on November 2, 2004, that the use of the term "comprising" as used to describe licensing module allowed the possibility that the licensing module could include a portion that runs on a server and controls access to applications. Claim 1 was thus amended to replace "comprising" by "consisting of" in order to clarify that the licensing module does not have any additional parts. The term "consisting of" excludes any element other than those recited. See MPEP §2111.03. In addition, claim 1 has previously been amended to remove "means" language in order to clarify the claim meaning.

It is further submitted that no adequate motivation to combine the teachings of Hayes and Biddle was provided in the Office Action. The Office Action states that it would have been obvious to modify the teachings of Biddle to include the teachings of Hayes "because this would have ensure [sic] greater security of the system" (Office Action, page 7, lines 15-16). The Office Action does not indicate, however, where either Biddle or Hayes suggests to combine the access permission list (no licensing module is taught) of Hayes with the system of managing licenses of Biddle. It is not clear how combining the permission list of Hayes with Biddle would ensure greater "security" of the system of Biddle. Biddle concerns protection against tampering and software piracy after software has been delivered to the end-user's platform. (Biddle, paragraph [0010]) Hayes does not concern "security" against tampering and piracy, but rather limits the access to particular software by workers in a corporate

Appellants: Altweis et al.  
Serial No.: 09/654,858  
Filing Date: September 5, 2000  
Docket No.: ZIL-314

environment. It is not clear how the permission list of Hayes would ensure greater security than that already provided by the system of Biddle.

The Examiner has not established a *prima facie* case of obviousness until the Examiner has presented a convincing line of reasoning to combine Biddle and Hayes or has identified the express or implied suggestion in the references to combine the references. It is requested that the portion of text in Biddle or Hayes that suggests this combination, or the particular knowledge of one of skill in the art, be identified. Because such motivation was not identified, it is submitted that a *prima facie* case of obviousness has not been made.

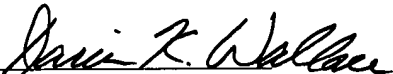
Claims 2-5 depend directly or indirectly from claim 1 and are allowable for at least the same reasons for which claim 1 is allowable.

#### VIII. CONCLUSION

The Examiner has not established a *prima facie* case of anticipation or obviousness. With regards to anticipation and claim 10, Biddle at least does not disclose a licensing module whose execution is required prior to the distribution of the program module. In addition, the logic of the rejection of claim 10 contradicts itself. Regarding claim 18, Biddle does not teach storing the configured licensing module at a first software distribution point so that it may be downloaded by a user, and storing the program module at a location other than the first software distribution point. Finally, with respect to obviousness and claim 1, Biddle does not disclose a licensing module, and there is no motivation to combine Biddle and Hayes.

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By

  
Darien K. Wallace

Date of Deposit: November 12, 2005

Respectfully submitted,



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## IX. CLAIMS APPENDIX

1. (previously presented): An improved system for electronic data sales and distribution over wide area computer networks, said networks comprising a network conduit, at least one e-commerce server computer in communication with said network conduit, and at least one customer terminal computer in communication with said network conduit, each said computer comprising input device, display device, processing device, storage device and device for communicating with said network conduit, the system comprising:

an e-commerce site for presenting e-commerce functions to each said customer in communication with said e-commerce server computer via said network conduit;

a licensing module for giving each said customer terminal computer permission to download a program module to said customer terminal computer, said licensing module consisting of an executable software application being executed on each said customer terminal computer engaged in the improved system; and

a program download site for providing a program module for downloading to each said customer terminal computer responsive to a user request.

2. (previously presented): The system of Claim 1, wherein said e-commerce site comprises an executable software application being executed by said processing device of said ecommerce server computer and said program download site

comprises an executable software application being executed by a processing device in a program module server computer, said e-commerce server computer and said program module server computer being distinct from one another.

3. (previously presented): The system of Claim 2, wherein said e-commerce site further provides each said customer terminal computer with the ability to download said licensing module.

4. (original): The system of Claim 3, further comprising a supplier terminal computer in local area network communication with said program module server computer.

5. (previously presented): The system of Claim 3, wherein said program module is responsive to output from said licensing module, said program module and said licensing module each comprising executable software applications, wherein output from said licensing module is input to said program module when said program module and said licensing module are executed on the processing device of a single computer.

Claims 6 – 9 (canceled)

10. (previously presented) An improved system for software distribution over wide area computer networks, said networks comprising a network conduit, at

least one e-commerce server computer in communication with said network conduit, at least one customer terminal computer in communication with said network conduit, and at least one supplier server computer in communication with said network conduit, each said computer comprising at least one programmable computer comprising input device, display device, processing device, storage device and device for communicating with said network conduit, the system comprising:

an e-commerce site for distributing licensing modules to each said customer terminal computer via said network conduit; and

a program download site for distributing program modules to each said customer terminal computer via said network conduit

wherein said licensing modules and said program modules each comprise executable software applications for execution on programmable computers, one said licensing module cooperating with one said program module to function as a whole software application, said distribution of one said program module is responsive to the prior execution of one said licensing module on one said customer terminal computer.

11. (previously presented) The system of Claim 10, wherein said e-commerce site comprises an executable software application being executed on said e-commerce server computer.

12. (previously presented) The system of Claim 11, wherein said program download site comprises an executable software application being executed on said supplier server computer.

Claims 13 – 14 (canceled)

15. (previously presented) The system of Claim 10, wherein each said distribution of one said program module commences automatically in response to user input to said executed licensing module through said input device of said customer terminal computer.

16. (original) The system of Claim 15, wherein the execution of said program module defines a licensed condition and an unlicensed condition, said program module executes in said licensed or unlicensed condition responsive to output from said licensing module.

17. (original) The system of Claim 16, wherein execution of said program module in said unlicensed condition is permitted for a pre-defined period of time, whereby expiration of said pre-defined period of time will prevent said program module from further execution.

18. (previously presented) A method of distributing a software product, via distributors, to users, over a computer network comprising:

configuring the software product as a program module and a licensing module wherein both the program module and the licensing module are required in order to operate the software product, the licensing module comprising a portion of the software product that is customized for a distributor or a group of distributors and the program module consisting of a portion of the software product that is not customized for the distributor or group of distributors, the program module comprising executable software code,

storing the configured licensing module at a first software distribution point so that it may be downloaded by a user, and

storing the program module at a location other than the first software distribution point.

19. (previously presented) The method of claim 18 wherein, subsequent to downloading the licensing module and if certain predetermined conditions are met, the user may download the program module.

20. (previously presented) The method of claim 19 wherein one of the predetermined conditions is payment or promise of payment for the software product.

21. (previously presented) The method of claim 19 wherein one of the predetermined conditions is that the user register the software product.

22. (previously presented) The method of claim 18 further comprising updating the software product by modifying the program module but not modifying the licensing module.

23. (previously presented) The method of claim 19 wherein subsequent to downloading the licensing module the user may run the licensing module.

24. (previously presented) The method of claim 23 wherein running the licensing module automatically downloads the program module.

25. (previously presented) The method of claim 23 wherein the user may run the licensing module only within a predetermined time period after downloading the licensing module.

26. (previously presented) The method of claim 18 wherein the program module is larger than the licensing module.

## X. EVIDENCE APPENDIX

No evidence has been submitted pursuant to 37 C.F.R. §§ 1.130, 1.131 or 1.132. No affidavit or declaration has been submitted under § 1.130 to disqualify a commonly owned patent or a published application as prior art. No affidavit or declaration of a prior invention has been submitted under § 1.131. No affidavit or declaration traversing rejections or objections has been submitted under § 1.132. No such evidence was entered by the Examiner and relied upon by Appellants in this appeal.

In the rejections that are the grounds to be reviewed in this appeal, the Examiner has not relied upon any non-patent documents.

## XI. RELATED PROCEEDINGS APPENDIX

No decision has yet been rendered by a court or the Board in this or any related proceeding.